



BILLING CODE: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-201-805]

#### Certain Circular Welded Non-Alloy Steel Pipe from Mexico: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2010-11

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: In response to requests by interested parties, the Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain circular welded non-alloy steel pipe from Mexico. This administrative review covers mandatory respondents Pytco, S.A. de C.V. (PYTCO), Conduit S.A. de C.V. (Conduit); Mueller Comercial de Mexico, S. de R.L. de C.V. (Mueller); Lamina y Placa Comercial, S.A. de C.V. (Lamina y Placa); and Tuberia Nacional, S.A. de C.V. (TUNA). We preliminarily determine that the respondents did not have reviewable sales, shipments, or entries during the POR. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: [Insert date of publication in Federal Register.]

FOR FURTHER INFORMATION CONTACT: Mark Flessner or Robert James, AD/CVD Operations, Office 7, Import Administration, International Trade Administration, U.S.

Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6312 or (202) 482-0469, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Period of Review

The period of review (POR) is November 1, 2010, through October 31, 2011.

### Scope of the Order

The products covered by the order are circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded, or threaded and coupled). The merchandise covered by the order and subject to this review is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive. For the complete scope, see Antidumping Duty Order.<sup>1</sup>

### Partial Rescission of Administrative Review

Timely requests for administrative review of ten companies were received from parties. For a full description of requests for review and the methodology underlying our conclusions, see the Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Import Administration, “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Certain Circular Welded Non-Alloy Steel Pipe from Mexico,” (Preliminary Decision Memorandum), dated concurrently with this notice, which is hereby adopted by this notice. Petitioner Allied Tube and Conduit (Allied) requested administrative reviews of the following companies: Conduit; Mueller; PYTCO; Lamina y Placa; and TUNA. Petitioner Wheatland Tube Company (Wheatland) requested administrative reviews of the

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<sup>1</sup> See Notice of Antidumping Duty Orders: Certain Circular Welded Non-Alloy Steel Pipe from Brazil, the Republic of Korea (Korea), Mexico, and Venezuela and Amendment to Final Determination of Sales at Less Than Fair Value: Certain Welded Non-Alloy Steel Pipe from Korea, 57 FR 49453 (November 2, 1992) (Antidumping Duty Order).

following companies: Galvak, S.A. de C.V. (Galvak); Hylsa, S.A. de C.V. (Hylsa); Industrias Monterrey S.A. de C.V. (IMSA); Mueller; Southland Pipe Nipples Co., Inc. (Southland); Lamina y Placa; Ternium Mexico, S.A. de C.V. (Ternium); and TUNA. Petitioner U.S. Steel Corporation (U.S. Steel) requested administrative reviews of the following companies: Conduit; Mueller; Southland; Lamina y Placa; Ternium; and TUNA. On March 29, 2012, Wheatland timely withdrew its requests for administrative review with regard to all companies for whom it had requested an administrative review. Also on March 29, 2012, U.S. Steel timely withdrew its requests for administrative review with regard to all companies for whom it had requested an administrative review. The remaining companies for whom administrative reviews had been requested were TUNA, Lamina y Placa, Mueller, PYTCO, and Conduit. Therefore, in accordance with 19 CFR 351.213(d)(1), we preliminarily rescind the administrative review with respect to the companies named in the Initiation Notice<sup>2</sup> for which no request for administrative review remains on the record of this proceeding, to wit: Ternium, Galvak, Hylsa, IMSA, and Southland.

#### Preliminary Determination of No Shipments

##### A. No Shipments Claims

##### PYTCO

PYTCO submitted a letter to the Department indicating that it made no shipments or entries of subject merchandise to the United States during the POR that are subject to this administrative review. In response to the Department's query, CBP data showed that a single entry of subject merchandise may have entered for consumption into the United States during the

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<sup>2</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 76 FR 82268 (December 30, 2011) (Initiation Notice).

POR.<sup>3</sup> In its claim of no shipments, PYTCO did not address the status of this single entry. Through multiple questionnaire responses, PYTCO provided additional documentation which demonstrated that the single entry in question had (a) been mischaracterized as subject merchandise and (b) did not involve an actual sale. We received no information from CBP to contradict the results of our data query and the claims made by this respondent. In addition, despite close questioning on the subject of sales by its POR affiliates, no evidence of sales by PYTCO's affiliates was established on the record of this proceeding. Therefore, because the evidence on the record indicates that PYTCO (and its affiliates) made no shipments of subject merchandise to the United States during the POR, we preliminarily determine that there are no reviewable transactions during the POR for PYTCO. For further discussion, see the Preliminary Decision Memorandum.

Since the implementation of the 1997 regulations, our practice concerning no shipment respondents had been to rescind the administrative review if the respondent certifies that it had no shipments and we have confirmed through our examination of CBP data that there were no shipments of subject merchandise during the POR.<sup>4</sup> In such circumstances, we normally instructed CBP to liquidate any entries from the no shipment company at the deposit rate in effect on the date of entry.

In our May 6, 2003, "automatic assessment" clarification, we explained that, where respondents in an administrative review demonstrate that they had no knowledge of sales

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<sup>3</sup> See Memorandum from Mark Flessner to the File entitled, "Certain Circular Welded Non-Alloy Steel Pipe from Mexico: Placement on the Record of U.S. Customs and Border Patrol Information for 2010-2011 Period of Review," dated January 27, 2012, at Attachment 1.

<sup>4</sup> See Antidumping Duties; Countervailing Duties, 62 FR 27296, 27393 (May 19, 1997); see also Oil Country Tubular Goods from Japan: Preliminary Results of Antidumping Duty Administrative Review and Partial Rescission of Review, 70 FR 53161, 53162 (September 5, 2007), unchanged in Oil Country Tubular Goods from Japan: Final Results and Partial Rescission of Antidumping Duty Administrative Review, 71 FR 95 (January 3, 2006).

through resellers to the United States, we would instruct CBP to liquidate such entries at the all-others rate applicable to the proceeding.<sup>5</sup>

Because “as entered” liquidation instructions do not alleviate the concerns which the Assessment Policy Notice was intended to address, we find it appropriate in this case to instruct CBP to liquidate any existing entries of merchandise produced by the respondents, and exported by other parties at the all-others rate, should we continue to find that the respondents had no shipments of subject merchandise in the POR in our final results.<sup>6</sup> In addition, the Department finds that it is more consistent with the Assessment Policy Notice not to rescind the review in its entirety but, rather, to complete the review with respect to the respondents, issuing appropriate instructions to CBP based on the final results of the review. See the “Assessment Rates” section of this notice below.

#### B. Duty Absorption

On January 30, 2012, Wheatland requested that the Department conduct a duty absorption inquiry with regard to each of the companies for whom an administrative review had been requested. See the Preliminary Decision Memorandum. Because this review was not initiated at the two-year or four-year interval from publication of the antidumping duty order, a duty absorption inquiry is not authorized. See Antidumping Duty Order.

#### Disclosure and Public Comment

Pursuant to 19 CFR 351.309(c), interested parties may submit cases briefs not later than the later of 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues

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<sup>5</sup> See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003) (Assessment Policy Notice).

<sup>6</sup> See, e.g., Magnesium Metal From the Russian Federation: Preliminary Results of Antidumping Duty Administrative Review, 75 FR 26922, 26923 (May 13, 2010), unchanged in Magnesium Metal From the Russian Federation: Final Results of Antidumping Duty Administrative Review, 75 FR 56989, 56990 (September 17, 2010).

raised in the case briefs, may be filed not later than five days after the date for filing case briefs.<sup>7</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>8</sup> Case and rebuttal briefs should be filed using Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS).<sup>9</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, filed electronically via IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5 p.m. Eastern Standard Time within 30 days after the date of publication of this notice.<sup>10</sup> Requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. The Department will issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

#### Assessment Rates

Upon completion of the administrative review, the Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries, in accordance with 19 CFR 351.212. The Department intends to issue appraisal instructions directly to CBP 15 days after the date of publication of the final results of this review.

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<sup>7</sup> See 19 CFR 351.309(d).

<sup>8</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>9</sup> See 19 CFR 351.303.

<sup>10</sup> See 19 CFR 351.310(c).

As noted above, the Department clarified its “automatic assessment” regulation on May 6, 2003. See the Assessment Policy Notice. This clarification will apply to POR entries by each respondent company if we continue to make a final determination of no shipments based upon their certifications that they made no POR shipments of subject merchandise for which they had knowledge of U.S. destination. We will instruct CBP to liquidate these entries at the all-others rate established in the less-than-fair-value investigation (32.62 percent)<sup>11</sup> if there is no rate for the intermediary involved in the transaction. See the Assessment Policy Notice for a full discussion of this clarification.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary’s presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

The preliminary results of administrative review and this notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act of 1930, as amended.

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Ronald K. Lorentzen  
Acting Assistant Secretary  
for Import Administration

\_\_\_\_November 29, 2012\_\_\_\_\_  
Date

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<sup>11</sup> See Final Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe From Mexico, 57 FR 42953 (September 17, 1992).

## Appendix I

### List of Topics Discussed in the Preliminary Decision Memorandum

No Shipments Claim – PYTCO  
Duty Absorption

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